

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Periodic Reporting  
(Proposal Three)

Docket No. RM2020-10

PUBLIC REPRESENTATIVE COMMENTS  
(September 1, 2020)

I. INTRODUCTION

The Public Representative hereby provides comments in response to Commission Order No. 5548.<sup>1</sup> In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, that address the Postal Service's petition to change analytical principles related to periodic reporting.<sup>2</sup> The Postal Service filed the Petition pursuant to 39 C.F.R. § 3050.11. Petition at 1. With its petition, Postal Service also filed public (USPSRM2020-10/1) and non-public materials relating to Proposal Three (USPSRM2020-10/NP1).

II. BACKGROUND

The Postal Service proposes to change the In-Office Cost System (IOCS) methodology for sampling city carriers. Proposal Three at 1. It proposes a new cluster sampling approach that allows data collectors to take on-site readings in the morning while carriers are on the premises and handling mail. *Id.*

---

<sup>1</sup> Notice of Proposed Rulemaking on Analytical Principles Used in Periodic Reporting (Proposal Three), June 15, 2020 (Order No. 5548).

<sup>2</sup> Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Three), June 11, 2020, (Petition).

### III. SUMMARY OF PROPOSAL THREE

Proposal Three would replace the current IOCS sampling design with one that utilizes Time and Attendance Collection System (TACS) data. *Id.* The current methodology relies on a “multi-stage probability sample to randomly select craft employees, including city carriers, then an interval of work time from the employee’s tour, ultimately resulting in an observation that represents a “snapshot” of the work activities in a sampled interval.” *Id.* Proposal Three relies on the use of TACS data to weight sampling data by finance number and to provide cost controls for city carriers by time of day (morning and afternoon). *Id.* If adopted, onsite data collectors would conduct readings within individual finance numbers using a cluster sampling design. *Id.*

Proposal Three utilizes probability proportional to size (PPS) sampling, performed on a quarterly basis, based on the accrued TACS workhours for carriers from two pay periods out of the prior quarter. *Id.* at 3. It relies on two distinct sampling modes. *Id.* Morning On-site Tests is the primary sampling mode, with data collectors conducting on-site readings on the cluster of carriers clocked to the selected finance number on the selected day. *Id.* at 4-7. For this mode, up to six carriers are randomly subsampled from all carriers working in the selected finance number, with data collectors conducting readings every five or ten minutes. *Id.* The other mode used is Afternoon Telephone Tests. Thirty carriers are randomly selected from the IOCS panel offices across a district, and grouped by finance number. *Id.*

### IV. COMMENTS

The Public Representative reviewed the Postal Service’s filing including materials under seal, and its responses to Chairman’s Information Requests. The Public Representative finds that Proposal Three is an improvement to the current In-Office Cost System (IOCS) methodology for sampling city carriers.

The Postal Service's workpapers appear to accurately reflect the changes described in the Petition. Thus, the Public Representative recommends that the Commission approve Proposal Three.

The Public Representative agrees that on-site data collections are preferable to phone interviews, especially since on-site data collectors can scan barcodes allowing them to obtain accurate information. As the Postal Service noted, data collectors are better trained to recognize mail markings or other product-identifying characteristics than phone interviewees. Due to their training, data collectors are more likely to collect accurate information and more likely to obtain an accurate reading.

Other advantages of Proposal Three include the elimination of costs allocated to unidentified routes, the oversampling of small CAGs, and the certainty that sampled employees are available for testing.

While some of the coefficients of variation (CVs) under Proposal Three are higher than under the current methodology, none of the resulting CVs are particularly worrisome. Even the CV for Street time, which experienced the largest increase in CV, is tolerable because the variation for the annual estimate is quite small. The Public Representative agrees with the Postal Service that the efficiency gains outweigh the slight increase in CVs.

## V. CONCLUSION

For the reasons discussed above, the Public Representative supports Proposal Three and recommends its approval. The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

---

Katalin K. Clendenin  
Public Representative

901 New York Ave., N.W. Suite 200  
Washington, D.C. 20268-0001  
(202) 789-6860; Fax (202) 789-6891  
[katalin.clendenin@prc.gov](mailto:katalin.clendenin@prc.gov)